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AUTHOR Lockledge, Ann
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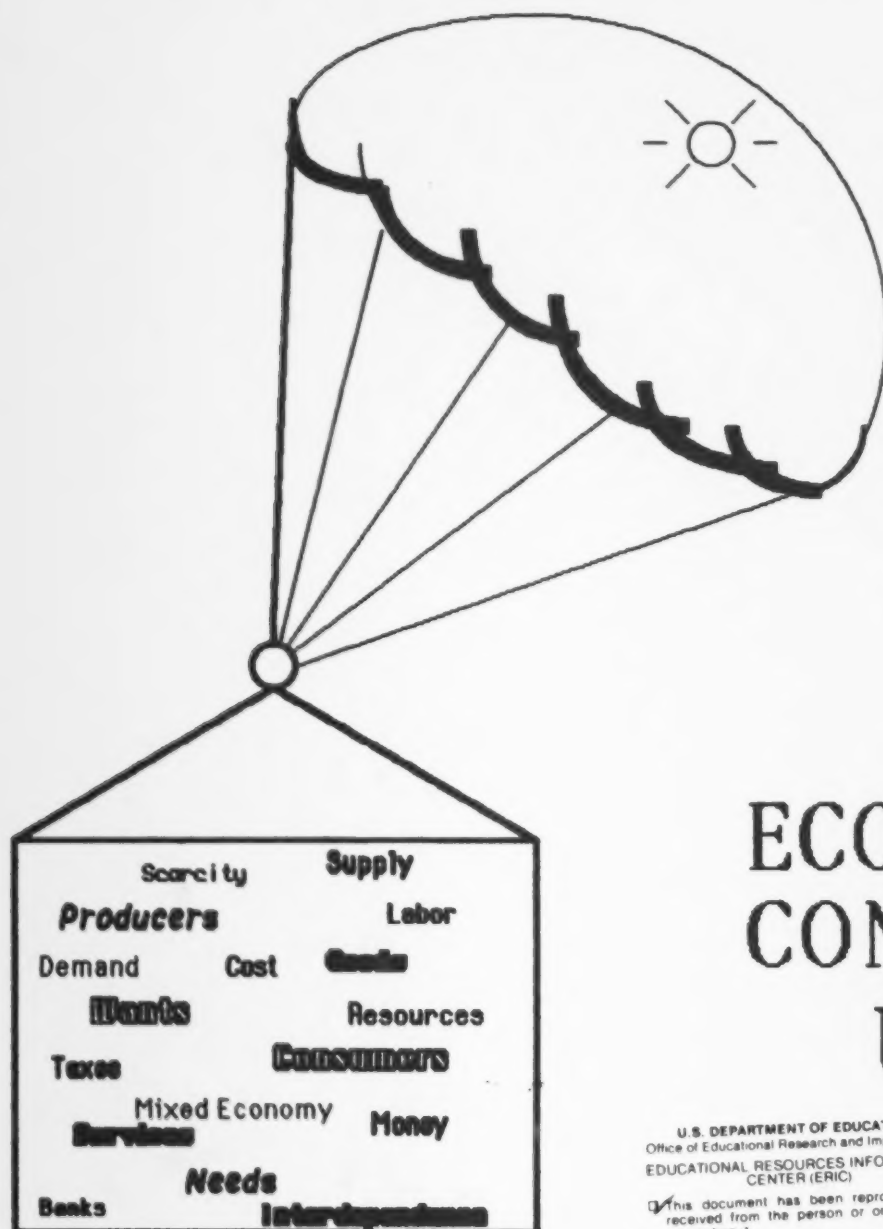
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ABSTRACT

The purpose of this unit is to increase student comprehension of the economic forces at work in regions, states, nations, and the world. Although the unit is intended for North Carolina teachers, it is appropriate for all economic programs. The unit encourages students to examine how geography, available resources, capital investment, and economic activity affect their geographic region. The 19 lessons are activity oriented and are designed to enable students to: (1) use basic economic vocabulary to identify human activity; (2) list ways money is necessary for economic activity; (3) describe how unequal distribution of natural, human, or capital resources can affect economic activity; (4) explain how geographical regions are economically interdependent; and (5) give examples of the relationship among resources, economic activity, and resulting products. The culminating activity involves exploring the economic impact of the exhaustion of an essential resource. Lessons appropriate for each grade level are included in the unit, and each lesson is accompanied by teaching strategies. (SM)

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ECONOMIC CONCEPTS UNIT

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Dr. Ann Lockledge

Social Studies Curriculum and Instruction

University of North Carolina at Wilmington

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ECONOMIC CONCEPTS UNIT

Rationale:

Economic activity is a part of everyday life. For this reason the standard course of study for social studies in North Carolina includes economic objectives for each level of the elementary and middle school curriculum from Kindergarten to Grade 8.

This unit was intended for use by teachers in the elementary and middle level schools in the state of North Carolina. The grade levels indicated on each lesson reflect the placement of the concept within the scope and sequence of that state's standard course of study. It can easily be adapted to another state by adjusting to grade level or specifics of products and resources. All of the lessons are activity oriented and designed to develop an understanding of one economic concept.

The purpose of this unit is to help children develop an ever expanding comprehension of the economic forces at work in the region, state, nation and world. Many children fail to see the interdependence of the world's people in terms of production, transportation and consumption. Hopefully the unit will help children think about the ways the area in which they live is affected by the geography, the natural resources available, capital investment, and the economic activity in which humans engage.

These lessons do not assume a great depth of background in economics. They are designed to bridge from knowledge of everyday situations into terminology needed to understand our own economic system. A certain amount of individual research into business activity in a locality might be helpful before beginning some of the lessons.

Generalizations:

- A. The wise allocation of limited resources in meeting the unlimited wants and needs of consumers is the basis of most economic systems.
- B. The physical environment and availability of resources in different geographic regions have an important effect on the type of goods and services produced and resultant interdependence with other regions.
- C. Economic activity considers how mankind makes a living and may be subdivided into branches such as agriculture, manufacturing, trade, transportation and services.

Performance Objectives:

The learner will be able to:

- 1. use some basic economic vocabulary to identify human activity.
- 2. list ways in which money (and its equivalents) are necessary for economic activity.
- 3. describe how unequal distribution of natural, human or capital resources can affect economic activity.
- 4. explain how geographical regions are economically interdependent.
- 5. give examples of the relationship between resources, economic activity and resulting products.

Initiating and Culminating Activities:

The unit may be introduced by brainstorming the word ECONOMICS so as to relate to concepts with which the students are familiar. (Use Taba's 3 steps: 1) What comes to mind when you hear this word? 2) Which of the terms we have written down can be grouped together? 3) How shall we label the group?

The final activity might consist of imagining that an essential resource had suddenly disappeared. The students will explore the possibilities, chart the results and reach decisions about the economic impact.

Given the age and background of the students, the teacher will need to select from among the lessons in order to fit the curriculum. Using the evaluation instrument as a pretest might prove useful in determining where to begin.

Basic Lessons:

	<u>Generalization</u>	<u>Objective</u>
1. Using money for goods and services (K,1)	A	2
2. Producers and Consumers of Wants and Needs (K,1)	A	1
3. Jobs and Occupations -- working to earn money (1,2)	C	2
4. Unequal distribution of Economic Resources (2,4,5,7)	B	3
5. Deciding how scarce resources are used (K,2,4,9)	A	5
6. Cost and Opportunity cost (1,4)	A	1
7. Specialization and division of labor (2)	A	1,5
8. Money, Banks and bank services (2,3)	C	1
9. Unlimited wants and limited resources (3)	A	3,5
10. Money, checks, credit cards (3)	C	1
11. Natural, human, and capital resources (3,4,6,9)	B	5
12. Wise choices in allocation of limited resources (3,4,7)	A,B	3,4
13. Economic Interdependence (3,4,5,7)	B	4
14. Taxes -- public vs. private funding (3,6)	C	1,2
15. Overconsumption of nonrenewable resources (4,5,7)	A	3,4
16. Economic Systems (5,6,7,9)	C	1
17. Supply and demand - Free enterprise system (5,9)	B	1,3
18. Command, mixed and market economies (5,6,7)	A	1
19. Problems of Developing economies -- 3rd world (5,7)	B	3,4,5

Lesson plans with support material are attached

Evaluation:

Formative evaluation will include a matching activities, large group concentration, worksheets, signaling responses to example/nonexample, and listing applications.

Summative evaluation will be on a 25 question objective test. Both a class summary and an item analysis are suggested. Test is attached.

Evaluation of the unit and teacher by the pupils will be done by completing these short open-ended statements.

During this unit I learned most when we _____
Compared with other social studies units, this one was _____
I like it best when my teacher _____
I wish my teacher would _____
When I think about economics, I _____
One thing I thought unimportant was _____
The thing I'll probably remember longest is _____

Objective: The learner will be able to state the idea that everyone needs money to buy goods and services

Focus: Show objects of typical things that children like to buy such as candy bars, toys, soft drinks. Ask: "If you were in a store and wanted one of these what would you need?" Explain: "We all have to use money to pay for things we want. Your parent(s) exchange money for many things like these that you and your family use. That is how they get into your home" Inform students that today they are going to learn about using money to pay for goods and services.

Teacher Input:

1. Ask children to think of more examples of things their family buys. List GOODS on poster or board.
2. Ask children to think of examples of services the family might pay for. Explain that this is something that someone like a mailman or dentist or plumber does for you. List under SERVICES.
3. Give children a piece of paper with MY FAMILY USES MONEY TO PAY FOR GOODS on the top half and the title MY FAMILY USES MONEY TO PAY FOR SERVICES on the bottom half.

Guided Practice: Using the appropriate list on the board, the children will first illustrate paying for goods and then illustrate paying for a service. (The two activities may well be separated into two different days.)

Check Understanding: On a picture worksheet name different items and ask children to put an X on those for which we need money. (Nonexamples like clouds in the sky will be included.)

Closure: "Explain to me why we need money."

.....

Objective: The learner will be able to classify examples as activities performed by a consumer or a producer.

Focus: Show a large picture of a meal. Ask: Who probably made the meal? Who will eat the meal? Begin to talk about all of the tasks that people do around a home. Focus in on tasks children might do. Inform children that today they are going to talk about two big words--producer and consumer--and how to tell them apart.

Teacher Input:

1. First hold up sign PRODUCER. Explain that a producer is anyone who makes something or does something for someone. Say: "Mom was a producer when she cooked supper. _____, you were a producer when you carried out the trash."
2. Hold up sign CONSUMER. Say that whenever you eat something or use something up or receive a service then you are a consumer. Talk about things they consume around the home.
3. Show transparency and ask which people seem to be workers or producers and which ones are going in the diner to consume food.
4. Begin color-coded chart. Ask prompting questions regarding community people they may know

Guided Practice: Children contribute to a class chart PRODUCERS (in blue) and PRODUCERS (in orange)

Check Understanding: "I am going to tell you about some different people. If they are producers hold up your blue piece of paper. If they are consumers hold up your orange one."

Closure: "What two words did we learn today? Which one means a person who makes something or does someone a service? Which one means a person who uses something or has something done for them."

Objective: The learner will be able to make and explain a picture chart showing different kinds of jobs people do to earn money.

Focus: Show a \$10 bill to the class. Ask: How do we get money? Do we get money from trees? How do your parents get money? Inform the children that they are going to make a chart of jobs different people do to earn money.

Teacher Input:

1. Write "Jobs Earn \$\$\$" on the board or a poster.
2. Show several pictures of readily identified occupations such as truck driver. Have children identify them and put the picture on what is becoming a chart. Write the name of the job underneath.
3. Have volunteers tell what their parents do for a living. Add words to the chart.
4. Assign each child a pretend job like washing clothes or building a wall or repairing a car which they are to pantomime. Take as many as possible from the chart. Then call children back to the circle and pay them with pretend money.

Guided Practice: Have children take a piece of paper and fold it to have four parts. They are to write "Jobs to Earn \$\$\$" at the top of the paper and then make a labeled illustration in each section. Model from chart in front.

Check Understanding: Read a list of things that people might be doing. Children are to raise their hands if it is an example of a way people earn a living and keep hands down for nonexamples.

Closure: Each child shows paper and says, "My picture shows people can _____ to earn a living."

.....

Objective: The learner will be able to describe a resource that is abundant in the locality where s/he lives.

Focus: Show pictures or objects. Say: "These all represent resources that are used to produce goods for consumers. Let's see how many you can name. Now let's see if you know what they would be used to make." Inform students that they are going to explore some of the resources we have that others might not.

Teacher Input:

1. Ask children to consider the resources represented and decide which they think our community has lots of.
2. Give examples of a great many more resources (including human) using cards with the word. Have children decide which ones the community has and which it doesn't. Put in two groups and fasten on board.
3. Tell children they are going to write a poem about a locally abundant resource. Show format.

Guided Practice: In pairs children will write a diamante resource poem following the format given below.

Independent Practice: Pencil and paper activity

Check Understanding and Closure: One child from each group will read their poem aloud or ask the teacher to do so.

Resource
adjectives describing the resource
a phrase telling its importance
"ing" words telling it's use
Product or community

Water
beautiful, buoyant, everpresent
goods travel to where they're needed
loading and unloading
Port of Wilmington

Objective: The learner will be able to give an example of a producer making a choice about scarce resource.

Focus: Read the poem "The Forester"

I can't decide what to do with these trees/So many things are made from these/They help make houses, furniture, toys/We hit drums hard with sticks for noise/Trees help us in school, pencils, paper and books/ Things made of trees are found wherever one looks/It takes time to grow trees, sometimes many years/ We must make wise use of our trees, I fear/ You might want to think of their many uses/I must admit, I make no excuses/ That I'm confused as to what I'd choose/As to how to decide how my trees should be used.

Ask: What problem is discussed? What uses did the poem suggest for trees? Do you have any suggestions? Do you think there will always be enough good trees? Why not? What does it mean to be scarce? Inform students that they will be exploring wise uses of scarce resources.

Teacher Input:

1. Develop meaning of scarce as there not being enough to meet demand (opposite of abundant). Speak of woods like walnut that have become expensive because there aren't many trees left.
2. Show samples of different kinds of wood.
3. Give examples/nonexamples of products of trees.

Guided Practice: Students will write their favorite product from a tree on a paper leaf and put it on the branch.

Check Understanding: Each child will write and finish the jingle.

Of all the uses we could make of trees/ _____ and _____ are the best of these."

Closure: What did you learn today about the scarcity of resources?

Objective: The learner will be able to identify opportunity cost when given examples.

Focus: Tell story. A class has just made \$100 from the sale of baked goods at the fall festival. The teacher has given the class three options on which they could use their money. Inform students they are going to investigate these options and decide the opportunity cost of the selection made.

Teacher Input:

1. Give options: 1) They can buy two software programs for the class computer; 2) They can use the money to buy a set of encyclopedias; 3) They can use the money to help finance an end-of-the-year school trip.
2. Present considerations 1) The computer is only in the classroom one week out of each month; 2) The encyclopedia set will take 6-8 weeks before it can be delivered. 3) The trip has not yet been approved and there is always a good chance permission cannot be obtained.
3. Explain the unselected choices are what they had to give up in order to do what they wanted and are known as the opportunity cost.

Guided Practice: In pairs students decide which choice they would make; then write a scenario of their own.

Check Understanding: Read other situations where someone made a choice, hopefully some students have written. Thumbs up for opportunity cost. Thumbs down for actual choice.

Independent Practice: Worksheet where student puts a square around choice and circles opportunity cost.

Closure: What is opportunity cost? (The choice not taken) Why is it important in decision making?

Objective: The learner will be able to generate a chart of products whose production requires several specialized jobs.

Focus: Show child's jacket. Ask: "Do you think one person did all the things it takes to make this jacket? Have you ever thought about how your clothes are made? How many kinds of jobs do you think people had to do in order for someone to have this jacket? Inform students that today they are going to learn about division of labor which means the different kinds of jobs that are done in order to get one product such as a jacket.

Teacher Input:

1. Read book, Pelle's New Suit (by Else Beskow, Platt and Munk: New York, 1962).
2. Have children name jobs that are part of making a wool suit. List on board
3. Have children suggest another product and then list the various specialized jobs that would have to be done to get this finished product. Begin a chart.
4. Show sample and tell groups they will make bookmarks but each person will do only one job.

Guided Practice: In groups of 5, children will make paper bookmarks on an assembly line (Materials needed: patterns, construction paper, glue, plastic wrap, yarn, scissors)

Check Understanding: On paper have each child list still another product and at least 2 jobs that different people would have to do to get the finished product. Collect and add to chart.

Independent Practice: Sequence worksheet to put sweater making process in order from sheep shearing to finished product

Closure: What did we learn today about the way jobs are divided up in order to get a finished product?

Objective: The learner will be able to describe at least one service a bank provides for people of the community

Focus: Pass out play money. Ask: If this were real money, where could you put it to keep it safe?(elicit banks)
Do your parents put some of their money in a bank? What is a bank? What happens at a bank? How do people get their money out of a bank? (checks)

Teacher Input:

1. Write "Bank" on the board and draw a concept map as you tell them about various services a bank performs. (Alternative have concept map ready on poster or transparency)
2. Show pictures of banks and bankers and various kinds of papers that represents banks (examples: checks, deposit slips, statements, keys for safety deposit box, loan applications, CD ads)
3. Have children turn to partner and, using play money, pretend to be teller and person depositing money.

Guided Practice: Make a "coat of arms" for a bank showing difference services.

Check Understanding: Ask yes/no questions:

Do we need banks?

Do banks keep our money safe?

Do banks have other services?

Do banks give money away?

Do banks print their own money?

Is all the money in the world in a bank?

Closure: Have children show their coat of arms and explain what they learned about banks.

Objective: The learner will be able to identify wise uses of a limited resource when presented with examples and non examples

Focus: How many things can you think of that you want? On this sheet of paper, you are to list in the "wants" column all the things you can think of that you would like to have or do. (3 min.) Let's compare lists. You can add to your list if you wish. Look at your paper and in the next column which says 30 minutes, you are to put a check beside each item that you can obtain or do if you only have thirty minutes with which to obtain it or do it. In the 3rd column you are to put a check beside each item that you can obtain if you only have ten dollars with which to obtain it or do it. Explain that we all have unlimited wants like the ones listed in the "wants" column. The time and money are limited resources. Inform students that today they are going to learn about unlimited wants and limited resources in relation to trees.

Teacher Input:

1. Write the word "trees" on the board. Have students suggest ways that we use trees. List. Prompt if needed.
2. Explain that the items listed are our unlimited wants for trees. Also explain to them that trees are a limited resource because if we use the trees without replacing them there will soon be no trees left. Ask the students what it would be like without trees.
3. Make a poster/chart WISE USE OF TREES and UNWISE USE OF TREES from contributions of students. Add suggestions as necessary.

Guided Practice: Divide the class into two teams and play large group concentration by matching the ways trees have been wasted in the past with what is being done today to protect this limited resource. (Ex cutting down trees without replacing and tree farms)

Check Understanding: Signal answers to yes and no statements about wise use of a limited resource.

Closure: What will you tell your folks tonight that you learned about unlimited wants and limited resources.

.....

Objective: The learner will be able to give an example of an appropriate use for currency, for checks and for credit cards.

Focus: Use dollar bill drawn on poster with a hole for the teacher's face. Ask: Does anyone know what I am? What can you do with a real one? Where did it come from? Where is it going? Inform students they are going to learn more about what goes on in the life of a dollar bill.

Teacher Input:

1. Show examples of currency, checks and credit cards. Relate checks and credit cards to money already put in the bank or money you expect to have there.
2. Give an example of when each might be used appropriately. (Dollar bills to get in movie, check to mail a payment for electricity, credit card to buy something big that you will pay for from 3 month's salary)
3. Tell story of the life of a dollar bill. Develop concept map.

Guided Practice/ Independent Practice: From Sears catalogue fill out a \$100 order, write pretend check.

Check Understanding/Closure: Teacher gives examples, students hold up facsimile of \$\$, check, or credit card.

Objective: The learner will be able to classify examples as natural, human or factory resources.

Focus: Hold up a towel or sweater and ask the class where it came from. Probe with "If I bought it in a store, where did the store get it? What did the factory use to make it? Where did the material come from? Inform students they are going to learn about the three kinds of resources that are used in making a product

Teacher Input:

1. On the board chain a producer to consumer circle. Ex: The farmer grows the cotton, the gin cleans the cotton, the mill makes the towel, trucks transport the towels, stores sell the towel, the farmer buys the towel.
2. Ask which things needed had to be bought, which were human, which things were from nature. Begin chart.
3. Divide students into groups. Give each group a product and some information about the product. They are to decide what needs to go into each part of the chart for their product.
4. Each group will report as teacher writes on chart (or) each group will do file folder chart activity.

Guided Practice: The students will add to the chart using other products (Chart may be in group activity form)

product	natural resource	human resources	capital resources
towel	land, water	farmer, factory worker	farm machinery, factory

Check Understanding: Give examples and the students hold up slips of paper for kind of resource

Closure: What did you learn today about the 3 different kinds of resources?

Objective: The learner will be able to generate a plan to conserve electricity

Focus: Hold up a plain black piece of construction paper. Tell the children it is a picture of something very exciting. Ask them what they think it is. After a few guesses tell them it is a party in New York City during a power failure when all of the lights went out. Inform students that electricity is a limited resource and by the end of the period they are going to be able to suggest ways that it might be used more wisely.

Teacher Input:

1. Explain that sometimes people need more electricity than can be produced--often when it is very hot in the summer and everyone has their air conditioner running on high. Result: brownout or blackouts.
2. Begin discussion on how students use electricity in their homes. List
3. Write ECONOMICAL on the board and ask for synonyms (thrift, care, savings, stinginess, good management)
4. Explain to class that they are going to develop a plan to economize on electricity.

Guided Practice: SCENARIO: The state government has warned that because of a combination of a storm damaged power plant and very hot weather, the whole state is in danger of a blackout. Divide into groups of four. Each group will develop a plan to economize in the home and economize in the classroom. Come up with a catchy slogan for the plan.

Check Understanding: Each group will present plan, class will vote on the winner.

Closure: What will happen if we don't use our electricity wisely? How can individuals help see to it that wise choices are made in the allocation of this limited resource?

Objective: The learner will be able to generate an operational definition for economic interdependence.

Focus: Show the class a sweet potato. Ask: "What is this? Where does it grow? Do we grow lots of these in North Carolina?" Then show baggie of potash and explain that it is a fertilizer from Canada that helps things like sweet potatoes grow. Explain objective: Today we're going to explore how people have to depend on other people from quite far away to supply some of things they need.

Teacher Input:

1. Explain that a buy-sell relationship exists between N.C.-grown sweet potatoes and Canadian-produced potash. Say: "this is an example of economic interdependence. We depend on Canada for potash and they depend on us for sweet potatoes."
2. Write "economic interdependence" on the board. Ask the students what they think an economic interdependence is based on. Elicit words such as producer, consumer, money, transportation.
3. Ask students to present their own examples in the format "_____ depends on producers in _____ for _____." (Ex. MsTeacher depends on people in Florida for orange juice)

Guided Practice: Worksheet with product map -- see attached

Check Understanding: Present students with examples : we get bananas from Columbia, NC sells cigarettes all over the country, I have a shirt made in Taiwan, and non-examples : grow it in my garden, make applesauce from apples on my tree, keep it all for myself, never buy anything. Signal with thumbs up and thumbs down.

Closure: Let's see what kind of working definition you can come up with for economic interdependence.

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Objective: The learner will be able to give an operational definition of taxes and list examples of things paid for by those taxes.

Focus: Show political cartoon and/or the saying: The only two things you can be sure of are death and taxes. Ask what this is all about. (Everyone pays taxes, knows it's necessary, but usually complains about it.) Inform the students that by the end of the period they should be able to define taxes and know why we pay them.

Teacher Input:

1. Write the word TAXES on the board. Have students give their ideas on the meaning of the word (money paid to government) and examples of taxes (income, sales, gasoline, property). Generate a concept map.
2. Show pictures of examples/nonexamples of things paid for by taxes.
3. Explain that taxes pay for expensive things that everyone needs, so everybody helps pay for them so they will be available as needed. In upper grades call this "public funding".

Guided Practice: Have children draw a "flower" on a piece of paper and write "things paid for by taxes" or "public funding" in the middle and examples in each of the petals.

Check Understanding: List example/nonexamples and have students signal whether or not they are things that require public funding.

Closure: Each student will write on the bottom of the "flower" paper, "I learned taxes are _____"

.....

Objective: The learner will be able to predict at least two consequences of the overconsumption of a nonrenewable resource.

Focus: Show picture of long lines of cars waiting to buy gas during the Arab oil embargo in the 1970's.

Ask why this was a real problem for some folks. Tell of personal experiences of waiting in line to buy gas and only being allowed to buy a few gallons at a time. Inform students that they are going to investigate the consequences of overconsumption of a nonrenewable resource and then make some predictions of their own.

Teacher Input:

1. Explain that you have duplicated newspaper articles from the time of the gas shortage and have highlighted some of the main ideas. Show a sample, read the highlighted part.
2. Divide class into groups of 4. Give each group member a copy of an article or picture which they are to explain to the rest of the group in terms of what happens during a severe shortage.
3. After students have had time to talk about the historical shortage, explain that they are to pick a natural resource that might come into short supply because of overconsumption. After talking over what the consequences might be, they are to prepare a poster warning against overconsumption of this resource.
4. Have groups explain their posters to the rest of the class.

Guided Practice: In groups read and talk about news articles; choose a resource in danger; predict consequences and warn of dangers of overconsumption on a poster; report orally on meaning of poster

Check Understanding and Closure: Posters and the oral explanations of their significance.

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Objective: The learner will be able to identify economic activities in the regions they are studying as examples of subsistence, pre-industrial, industrial or service economies.

Focus: Show picture of an economic activity. Ask: "Can anyone remember what economics means?" Inform: Today we are going to look at a few more pictures to help us determine what different kinds of economies we might find in other parts of the world.

Teacher Input:

1. Write or show cards SUBSISTENCE (1), PRE-INDUSTRIAL (2), INDUSTRIAL (3), and SERVICE (4). Explain that these are four kinds of economic systems. Give operational definitions.
2. Explain that while the United States still has a lot of industry such as automobile factories, we are becoming more service oriented. Mention that while Canada is industrialized, parts of Latin America are pre-industrial and in certain areas such as the high Andes merely subsistence.
3. Show more pictures and ask students to explain what they see in the pictures. Link to systems.

Guided Practice: Divide children into groups of three. Give each group an example to pantomime. When presented, the rest of the class will identify the activity and the economic system it represents.

Check Understanding: Give further examples through pictures or statements like "Mr. Jones makes a living working in a textile factory" or "Señor Gonzalez raises barely enough beans to feed his family." Students will hold up the number of fingers that indicates the type of economic system - see above.

Closure: "Why is it helpful to talk about economics in different countries in terms of economic systems?"

ECONOMICS LESSON PLAN # 18 Command, Market and Mixed Economies GRADE: 5-7

Objective: The learner will be able to classify statements as to the type of economy described.

Focus: Put up three signs in the front of the room -- (COMMAND) (MARKET) (MIXED) Ask: Who can tell me what those three words have in common? Explain that they are three ways of describing the way the resources of a country are managed -- they are ways of describing types of economies. Inform students that today they are going to learn how to recognize examples of different types of economies.

Teacher Input:

1. Pass out handout and have students follow while you read the explanations.
2. Have 3 cards ready and ask students to put them up in the front of the room under the proper heading (government makes major decisions about production) (private business makes decisions about production) (business decisions are regulated by the government)
3. Give examples of each type of economy. (Give nonexamples that have nothing to do with economics such as cultural issues or civil rights. Use large poster if available.

Guided Practice: Divide into groups of four to identify the descriptions on the bottom of the handout. Decisions will be made by the group but each student will mark his/her own paper. Check as a class.

Check Understanding: In groups classify descriptors in envelope review activity.

Closure: What information would you need to have to be able to tell what kind of economic system a country had?

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ECONOMICS LESSON PLAN # 19 Unequal Distribution of Resources/Developing Economies GRADE: 5-7

Objective: The learner will be able to give examples of unequal distribution of natural resources in countries with developing economies.

Focus: Bring in large cardboard tube. Ask students to guess what is inside. Pull out, show, and post a map of Central America. Tell students that this is a region of developing economies. Write: UNEQUAL DISTRIBUTION OF NATURAL RESOURCES" under or beside the map. Ask: Can anyone make a connection between what I wrote and my map? Inform students that they are going to discover examples of resource problems in countries of Central America that have developing economies.

Teacher Input:

1. Begin to show transparencies of physical, mineral, climate and population, etc. maps of the region.
1. Tell students that even without the human political problems that have led to war, Central American countries would still have some economic problems. Start with population. Point out overpopulation in El Salvador, underpopulation in mountainous areas.
2. Look at climate map and physical map and link nicer climate (mountains) to areas of low population.
3. Continue working between maps. Discuss distributive inequality.

Guided Practice: Pass out worksheet with a small map of Central America. Students are to put one example of an unequal distribution of natural resources on the map. Under the map they are to write a statement following the format, "An unequal distribution of _____ causes a problem of _____ in _____"

Check Understanding: Read a list of statements about Central America. Students are to signal thumbs up for examples and thumbs down for nonexamples of unequal distribution of natural resources

Closure: "What did you learn today about countries with developing economies?"

Objective: The learner will be able to state an operational definition of supply and demand that indicates an understanding that in a free enterprise system price may be determined both by availability and desirability of a product.

Focus: Show Cabbage Patch Doll. Ask if anyone knows how much they cost the first year they came out. Tell about how scarce they were because all of the kids wanted them for Christmas and so people paid exorbitant prices just to get hold of one. Inform students that today they are going to find examples of how supply and demand influence the price of an item.

Teacher Input:

1. (Optional) Explain that there are some countries that do not have economic systems that let price be determined by how much people want something and how many are available. In the United States we still have free enterprise but there are many government regulations that control various aspects of supply and demand.
2. Explain that to be successful in business one must produce goods or services that people want and are willing to pay for. Sometimes this is based on real need and sometimes just on popularity at the moment. Use examples of dentist, laundries, toys, fad clothes
3. Write on board SUPPLY and DEMAND on the board. Talk about when everyone wants something (demand) then the amount of it around (supply) will tend to disappear and that will make the cost go up. Then people will think this is a real good deal and make lots of it and then there will be so much of it that the price will go down again. Review Cabbage Patch. Ask for other examples in their own lives.

Guided Practice: Simulation Game. Divide into 5 groups. Give each group \$500 in play money and 5 real or simulated baseball cards. Of the 25 cards there is a distribution 8-5-4-3-3-2 which students do not know. Tell students the object is to trade/buy/sell until you either have a set of all 6 cards or \$1500. Time is called at teacher's discretion or when a group has met their goal. Afterwards ask when they knew a card was becoming valuable. Was one card actually more desirable than another or just scarcer?

Check Understanding: Signal yes or no for these situations. In free enterprise:

1. when there is a surplus of a good or service, the cost of the good or service tends to remain the same
2. when there is a sudden demand for something, the price tends to remain the same
3. when there is a surplus of a good or service, the cost of the good or service tends to decrease
4. when there is a sudden demand for something the price tends to decrease
5. when there is a surplus of a good or service the cost of the good or service tends to increase
6. when there is a sudden demand for something, the price tends to increase

Closure: What did we learn today about the role of supply and demand when there is free enterprise.

.....

1. Mother is at the store buying food for supper. She is an example of
- A. a producer
 - B. a consumer
 - C. an economic resource
 - D. a limited resource

Think about this statement. The farmer grows the wheat, the miller grinds the flour, the baker bakes the bread, the driver delivers the bread, the grocer sells the bread, the cook buys the bread, the girl eats the sandwich.

2. When you think about what all of these people do it is
- A. division of labor
 - B. using barter to get goods
 - C. changing use of economic resources
 - D. scarcity of resources
3. The mill owner grinding the flour is an example of
- A. an opportunity cost
 - B. a specialized job
 - C. interdependence between regions
 - D. scarcity of resources
4. Who performs a service?
- A. the farmer
 - B. the baker
 - C. the driver
 - D. the girl
5. Who produces goods
- A. the farmer
 - B. the driver
 - C. the grocer
 - D. the girl
6. Food, clothing and houses are examples of
- A. economic resources
 - B. limited resources
 - C. unlimited wants
 - D. economic needs
7. A bank is
- A. a place that makes money for you to use
 - B. a place where you can buy a car
 - C. a place where you can keep your money safe
 - D. a place where you can buy clothes
8. Children make a collage of pictures with all of the things that are used to make products in a community's factories. This is an example of
- A. meeting everyone's wants and needs
 - B. showing division of labor
 - C. exchanging money for services
 - D. knowing economic resources
9. What is the best reason to pay tax money to buy a fire truck?
- A. because it doesn't cost anybody anything that way
 - B. because if everybody had to buy their own firetruck, only rich people could afford them
 - C. because firetrucks are so expensive that everybody needs to pay for them so they can be available when needed
 - D. because then fire fighters can come to school and show their equipment
10. A family makes a budget in which they are to spend money for food and rent first--and cable TV only if there is money left over. This is an example of
- A. identifying jobs in the community
 - B. allocation of scarce resources
 - C. being unfair to kids
 - D. exchanging money for services

11. The teacher shows a picture of a farmer bringing a bushel of corn to pay a doctor for taking care of his family. This is an example of
 A. scarce resources
 B. opportunity cost
 C. barter
 D. currency
12. Economics is a science which is all about . . .
 A. meeting everyone's wants and needs
 B. production and consumption of goods and services
 C. operation of the free enterprise system
 D. unequal distribution of resources

Think about this chart.

HUMAN RESOURCES + NATURAL RESOURCES + CAPITAL RESOURCES = PRODUCTS

Human (People) Resources	Natural Resources	Capital (Factory) Resources
farm hands	forests	lumber Mill
factory workers	crude oil	weaving Mill
secretaries	rainfall	textile Plant
store clerks	pasture land	farm machinery

13. Where would you put "bricks" on the chart?
 A. Human Resource
 B. Natural Resource
 C. Capital Resource
 D. None of the above
14. Which of the these nonrenewable resources from the chart might be in greatest danger of overconsumption
 A. pine trees
 B. crude oil
 C. rainfall
 D. None of these are in danger
15. Janie has one dollar and wants to buy a new toy. She chooses a punch ball that costs 79¢ rather than a package of balloons at 99¢ or a doll's baby bottle for 59¢. The doll's baby bottle is the
 A. unlimited want
 B. limited resource
 C. economic need
 D. opportunity cost
16. In an area where there is much good land and a great supply of unskilled labor, what kind of economic activity would you expect to find?
 A. agricultural activities
 B. manufacturing activities
 C. high technology activities
 D. governmental activities
17. Which of the following is a list of economic resources?
 A. land, farmer, seed, water, tractor, machinery
 B. home, family, meals, love, pets, toys,
 C. neighborhood, friends, houses, streets, park, bicycles
 D. country, president, constitution, law, flag, eagle
18. When businesses compete for the consumer's dollars, we tend to get
 A. fewer products and high prices
 B. better products and high prices
 C. lower prices and poor products
 D. better products and lower prices

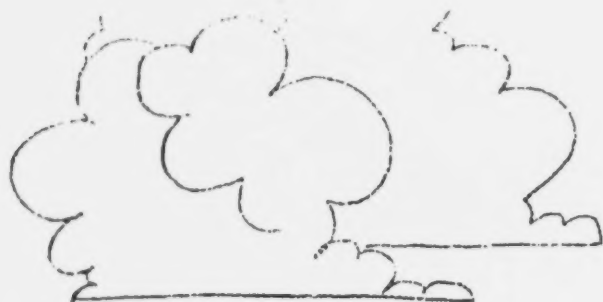
19. In free enterprise, when there is a surplus of a good or service, the cost of the good or service tends to
- A. decrease
 - B. remain the same
 - C. rise
 - D. contribute to inflation

Think about this statement. North Carolina gets coffee from Brazil, oranges from Florida, cars from Michigan and computers from Japan. North Carolina sells wood fiber in Europe, tobacco to Pennsylvania, towels and sheets to Iowa.

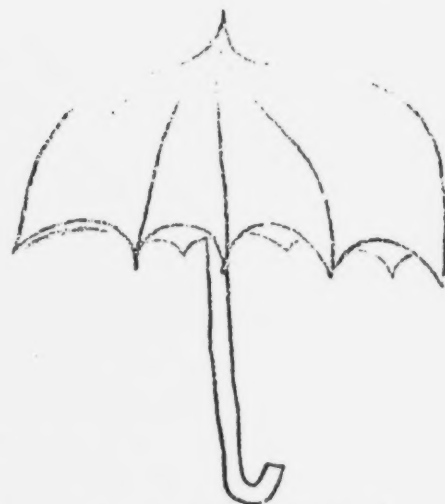
20. This is an example of
- A. economic interdependence
 - B. a mixed economy
 - C. unequal balance of trade
 - D. profit from competition
21. Which of following is not necessary for this to happen
- A. trade
 - B. communication
 - C. transportation
 - D. elections
22. If the towel factory were owned and operated by a German company that would represent
- A. a foreign monopoly
 - B. a barrier to trade
 - C. a foreign investment
 - D. a mixed economy
23. Which type of society would this tend to reflect
- A. subsistence
 - B. preindustrial
 - C. industrial
 - D. money
24. A mixed economy, such as in the U.S.A., is one in which
- A. executive positions are shared by both men and women
 - B. people save money and invest in corporations
 - C. there is both government and private decision making
 - D. all resources are owned by either the federal or the state government
25. In a command economy, such as in the U.S.S.R., the means of production are owned by
- A. corporations
 - B. partnerships
 - C. cooperatives
 - D. the government

1. Worksheet

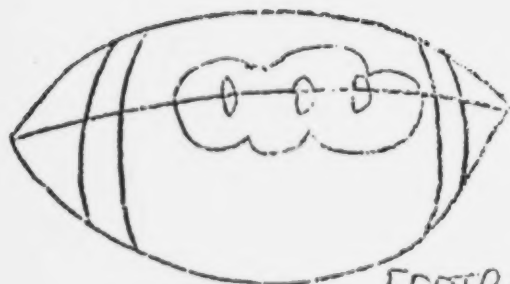
Directions read by teacher: "Place an X on the items that we use money for."



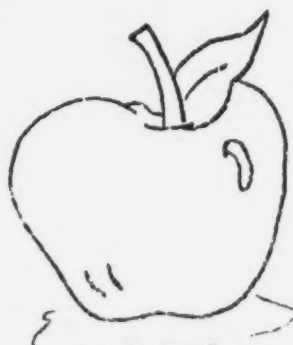
CLOUD



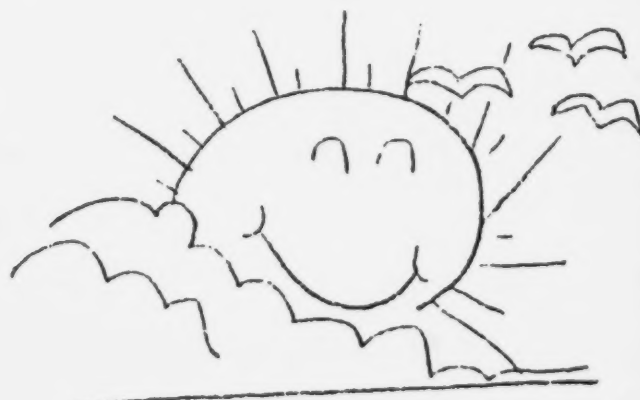
UMBRELLA



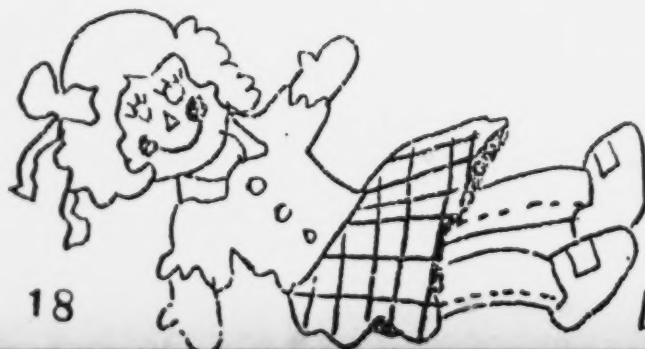
FOOTBALL



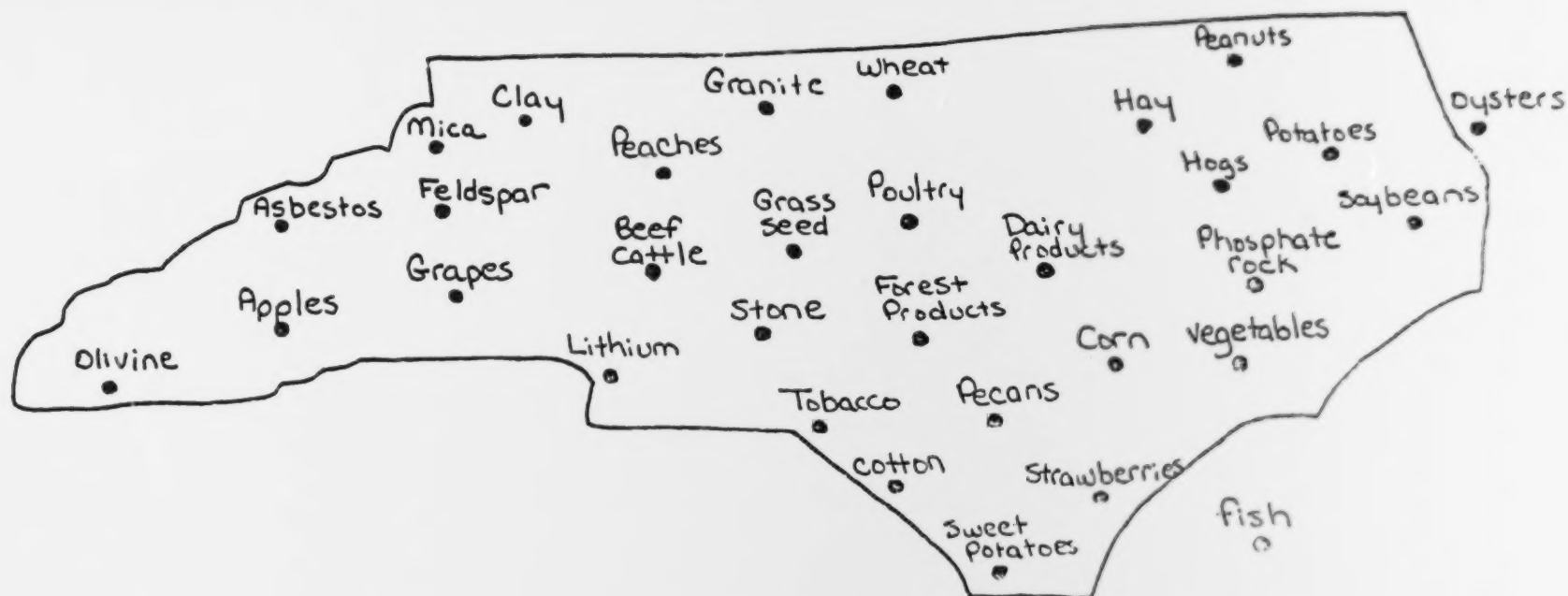
APPLE



Sunshine



DOLL



List the resources that North Carolina has.

List some resources that North Carolina does not have but needs.

OPPORTUNITY COST

Put a square around the choice made and a circle around the opportunity cost.

1. Steve can go to the park or watch TV. He decides to watch TV.
2. Anne can buy one name brand sweater or buy two sweaters that are not name brands for the same price. She decides to buy the one name brand sweater.
3. Billy can go to the movies or go to his friend's house. He decides to go to the movies.
4. Mark can go play ball with the boys or rake the yard for \$5.00. He decides to rake the yard.
5. Karen can go to the pool or go shopping. She decides to go to the pool.
6. Tim can buy a baseball glove or save his money for a new bike. He decides to save the money to buy a new bike.
7. Karen can go to her friends party or back packing. She decides to go back packing.
8. John can keep the basketball he got for his birthday or get a tent instead. He decides to keep the basketball.

Write two examples similar to the ones above, where a choice is made and an opportunity cost occurs.

1.

2.

MONEY, BANKS, AND BANK SERVICES (Concept #8)

(Concept #8)

1. What is a bank?

- a. a place to spend your money
- b. a place to keep your money safe
- c. a place to buy clothes
- d. a place to keep your letters

T or F 2. Banks do not keep your money safe.

T or F 3. Banks give money away to anyone who wants money.

T or F 4. Banks have other services beside keeping your money safe.

T or F 5. Banks print their own money.

6. Yesterday was your birthday. You got \$10.00 for your birthday and you want to put your money in a safe place so you decide to deposit your \$10.00 in the bank. Fill out the deposit slip below:

Deposit Slip

Deposited by: _____

City: _____ NC

Date: _____ 19____

Account Number: _____

Sign here only if cash received from deposit

Currency		
Coins		
Checks		
Sub-Total		
Less: Cash Received		
Total		

COMMAND, MARKET AND MIXED ECONOMIES

Listed below are brief definitions of the three different economic systems.

COMMAND ECONOMY: An economic system in which the government owns most factories and resources and makes the major economic decisions. The government also decides how much to produce, what to produce, and how to distribute goods and services.

MARKET ECONOMY: An economic system in which most industry is owned and operated by individuals. Decisions are made by individual producers and consumers through buying and selling in the market. Supply and demand determines what goods are produced and at what price they will be sold.

MIXED ECONOMY: An economic system in which some decisions are made by individual consumers and producers and other decisions are made by the government.

Directions: Below are descriptions of different economic systems. In the blank to the left of each one write whether it is a characteristic of a command economy, a market economy or a mixed economy.

- _____ 1. Type of economy in Russia and China
- _____ 2. Both individuals and government own businesses
- _____ 3. Only individuals own businesses
- _____ 4. Type of economy in the United States
- _____ 5. Prices, profits and wages are determined by supply and demand
- _____ 6. Only government owns businesses
- _____ 7. Type of economy in Britain and Sweden
- _____ 8. Public and private decision making

Name _____

ECONOMIC SYSTEMS

Directions: Identify the following economic systems by labeling as one of the following: subsistence, pre-industrial, industrial or service economies.

1. service Julie Smith has a job selling food at Wendy's.
2. subsistence Senor Gonzalez raises barely enough beans to feed his family.
3. industrial Mr. White works on an assembly line in an automobile factory.
4. pre-industrial Mr. Wyder has a large tract of farmland for growing crops and raising stock.
5. industrial Mr. LaSalle works in a fishery that exports fish to other parts of the world.
6. service Mrs. Gordon started a business called Happy Helpers. They clean businesses and homes.
7. subsistence Migel Rodrigous is a sharecropper on his landlord's farm.
8. industrial Mr. Grant makes a living working in a textile factory.
9. pre-industrial Senor Juan owns and works a large cattle ranch.
10. pre-industrial Mr. Valdez raises many coffee beans for export. ~~his farm.~~
11. service Miss Lewis works evenings as a telephone operator.
12. subsistence Senor Lorez works very hard to raise corn but the ground is so rocky, his family must sometimes go hungry.

Economic Interdependence

